

# Iowa Health and Wellness Plan



## Purpose

Beginning January 1, 2014, the Iowa Health and Wellness Plan covers all Iowans, ages 19-64, with incomes up to and including 133 percent of the Federal Poverty Level (FPL). The plan provides a comprehensive benefit package and provider network, along with important program innovations, that will improve health outcomes and lower costs. The new plan serves many former IowaCare enrollees as the IowaCare waiver expired December 31, 2013.

## Who Is Helped

The Iowa Health and Wellness Plan is intended to expand access to healthcare coverage for low-income, uninsured adults.

The Plan covers adults, ages 19-64 who are not otherwise eligible for comprehensive Medicaid, Medicare, or cost-effective employer sponsored insurance coverage:

- **Iowa Wellness Plan**

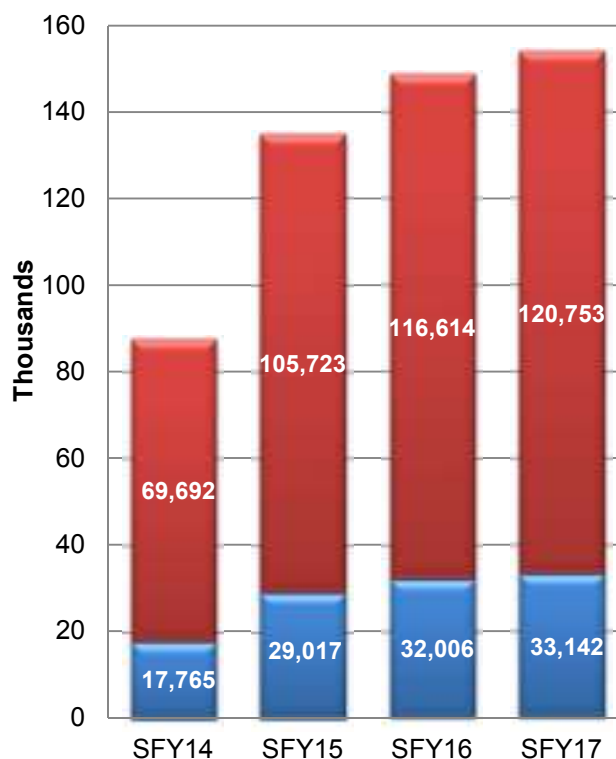
Persons with incomes 0-100 percent of FPL (\$11,490 for a family of one and \$15,510 for a family of two).

- **Marketplace Choice Plan**

Persons with incomes between 101 percent and 133 percent of FPL (\$11,491-\$15,281 for a family of one and \$15,511-\$20,268 for a family of two).

### Estimated Average Enrollees by Year

- Iowa Wellness Plan
- Market Place Choice Plan



- ✓ Iowa Wellness Plan members receive coverage through independent primary care physicians (PCP), PCPs associated with Accountable Care Organizations (ACO), or managed care plans.
- ✓ Marketplace Choice Plan members select a commercial health plan through the Marketplace. The Medicaid program pays the premium to the commercial health plan on the individual's behalf.
- ✓ Income eligibility for both plans is determined using the modified adjusted gross income (MAGI) methodology.

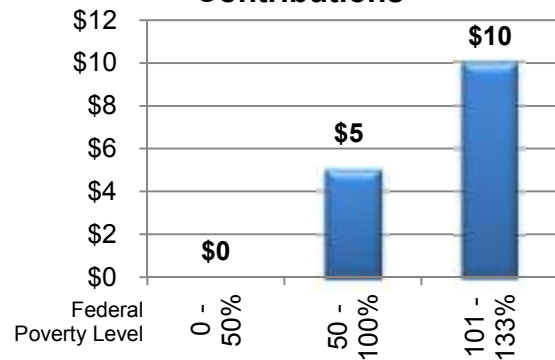
Services	<p>The Iowa Health and Wellness Plan provides healthcare to thousands of adults who would otherwise have no access to any type of healthcare regardless of income.</p> <ul style="list-style-type: none"><li>• The Plan offers innovations and reform in the delivery of health care services through leveraging care coordination models. These include PCP, managed care plans, Accountable Care Organizations (ACOs), and the utilization of the private insurance market.</li><li>• The Plan provides a comprehensive benefit package that ensures coverage for all of the Essential Health Benefits (EHB) as required by the Affordable Care Act (ACA).</li><li>• Comprehensive health services, equivalent to the State Employee Health Benefit Package.</li><li>• Medicaid provider network, including enrollment with a primary care medical home for Iowa Wellness Plan members to assist in coordinating health services.</li></ul>	<p><b>Covered Benefits</b></p> <ul style="list-style-type: none"><li>• Ambulatory patient services (e.g. Physician Services)</li><li>• Emergency Services</li><li>• Hospitalization</li><li>• Mental health and substance use disorder services, including behavioral health treatment</li><li>• Rehabilitative and habilitative services and devices</li><li>• Laboratory services</li><li>• Preventive and wellness services</li><li>• Home and community based services for persons with Chronic Mental Illness, equivalent to the Medicaid benefit</li><li>• Prescription drugs equivalent to the Medicaid benefit</li><li>• Preventive dental services and treatment equivalent to the Medicaid benefit</li></ul>
	<ul style="list-style-type: none"><li>✓ <i>The Iowa Wellness Plan includes care coordination and quality incentives to encourage medical home growth and innovation.</i></li><li>✓ <i>ACOs assist members by coordinating care through medical homes, engaging in proactive health care, preventive services, and member outreach. This will increase quality outcomes and lower costs.</i></li></ul>	
Goals & Strategies	<p>Goal: Improve Iowans' Health Status</p> <ul style="list-style-type: none"><li>• Ensuring all Iowan's have access to a health insurance coverage option in 2015 through the Iowa Wellness Plan or Marketplace Choice Plan, other Medicaid programs, Medicare, or the Marketplace.</li><li>• Implementing a new delivery system and payment model to promote improved care management, care coordination, and health care quality.</li><li>• Implementing a unique incentive plan to encourage development of cost-conscious consumer behavior in the consumption of health care services.</li></ul>	
	<ul style="list-style-type: none"><li>✓ <i>ACOs are accountable under a contract for a set of quality and cost outcomes for the population attributed to them.</i></li><li>✓ <i>The use of commerical health plans within the premium assistance program may allow individuals to stay on the same plan even if their income changes and they are no longer eligible for Medicaid.</i></li><li>✓ <i>The use of commerical health plans within the Marketplace allows access to coverage through the same plans as any other Iowan seeking coverage in the private individual market.</i></li></ul>	

## Cost of Services

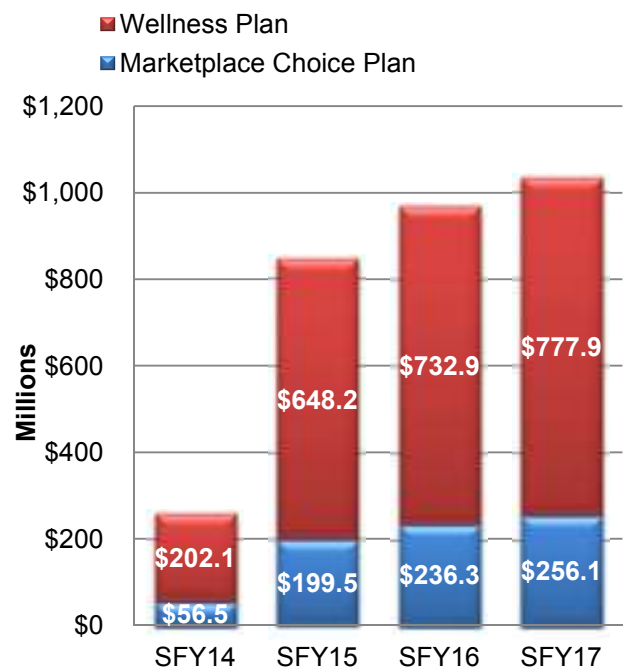
Participant financial contribution under the Iowa Wellness Plan and Marketplace Choice Plans have unique and innovative features designed to encourage utilization of preventive care and overall health promotion and disease prevention through an incentive-based program.

- No co-payments, except \$8 for using the emergency room when it is not a medical emergency.
- No monthly contributions or premiums in the first year.
- No contributions after the first year if the member completes preventive services and/or wellness activities.
- Monthly contributions only for adults with incomes at 50 percent or greater of the FPL if preventative services/wellness activities not completed. Estimated total state and federal cost projections do not include administrative costs.

### Participant Individual Monthly Contributions

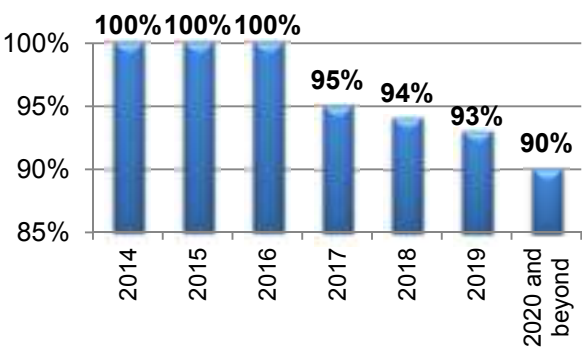


### Estimated Total Program Cost\*



\*Estimated total state and federal cost projections do not include administrative costs.

- ✓ *Out of pocket costs can never exceed five percent of household income.*
- ✓ *The program provides incentives for members to engage in health and wellness activities through being able to have their monthly premiums waived.*
- ✓ *Enrollees who continue to complete health improvement behaviors in each 12-month period of enrollment will never be subject to the required monthly financial contribution.*

Funding Sources	<ul style="list-style-type: none"><li>• The vast majority of Health and Wellness Plan costs are reimbursed at the enhanced Federal Medical Assistance percentage (FMAP) for the New Adult Group under the ACA.</li><li>• A small portion of enrollees will receive regular federal match rates because they were previously eligible for other full benefit Medicaid eligibility groups.</li><li>• Administrative costs have match rates of 50%, 75%, or 90% depending on the type of expenditure.</li></ul>	<div>Enhanced Federal Match Rate Percentage</div>  <table><thead><tr><th>Year</th><th>Match Rate Percentage</th></tr></thead><tbody><tr><td>2014</td><td>100%</td></tr><tr><td>2015</td><td>100%</td></tr><tr><td>2016</td><td>100%</td></tr><tr><td>2017</td><td>95%</td></tr><tr><td>2018</td><td>94%</td></tr><tr><td>2019</td><td>93%</td></tr><tr><td>2020 and beyond</td><td>90%</td></tr></tbody></table>	Year	Match Rate Percentage	2014	100%	2015	100%	2016	100%	2017	95%	2018	94%	2019	93%	2020 and beyond	90%
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SFY16 & SFY17 Budget Drivers	<ul style="list-style-type: none"><li>• Full enrollment of approximately 150,000 is projected to occur in SFY16.</li><li>• The budget will be risk-adjusted and ACOs will be protected with stop/loss provisions for high cost medical events.</li></ul>																	
Legal Basis	<p>The Iowa Health and Wellness Plan will operate under two 1115 demonstration waivers. One waiver for the Iowa Wellness Plan and one for the Marketplace Choice Plan.</p> <p><b>Federal:</b></p> <p>Section 1115 of the Social Security Act; Section 1902(a) (10) (B); Section 1902(a) (13) and (a) (30); Section 1902(a) (14); 1902(a) (23) (A); Section 1902(a)(4); Section 1902(a)(1); Section 1902(a) (34); Section 1902(a) (54).</p> <p><b>State:</b></p> <p>Iowa Senate File 446</p>																	